**Chapter 16: Mobile Marketing and Related Developments**

**MULTIPLE CHOICE**

1. The adoption stage in which a new product has become a part of the user’s lifestyle is called:

a. permanent adoption.

b. loyalty.

c. internalization.

ANS: C REF: p. 441

1. \_\_\_\_\_\_\_\_ is a product characteristic that determines ease of adoption.

a. Relative advantage

b. Sustainable advantage

c. Substitutability

ANS: A REF: p. 441

1. Among the strategic implications of pervasive computing are:

a. marketers must wait for customers to contact them.

b. marketers must be able to contact customer near the time and place of purchase.

c. content will become less important than context.

ANS: B REF: p. 443

1. Dimensions of the pervasive computing environment include:

a. anywhere.

b. any time.

c. both of the above.

ANS: C REF: p. 443

1. True statements about the global mobile environment include:

a. some countries have already passed 100% penetration of cell phones.

b. mobile is expected to be the dominant method of accessing the Internet in a few years.

c. both of the above.

ANS: C REF: p. 444, 445

1. Strategic drivers of wireless technology include:

a. localization.

b. larger screens.

c. new methods of advertising.

ANS: A REF: p. 448

1. \_\_\_\_\_\_\_\_ is one of the strategic drivers of mobile marketing.

a. Advertising

b. 1-click payment mechanisms

c. Decrease in consumer concern about the privacy and security of their personal data

ANS: B REF: p. 447

1. Expanded permission marketing is necessary in the mobile marketing environment because:

a. government regulations establish the kind of permissions that are necessary.

b. mobile customers want control over how much information they receive and when.

c. it is required by geographical location software.

ANS: B REF: p. 447, 448

1. A channel that is **not** a mobile marketing channel are

a. display ads.

b. videos.

c. neither of the above.

ANS: C REF: p. 448

1. A true statement about mobile marketing campaigns is:

a. a mobile marketing campaign needs elements of traditional online or offline marketing.

b. careful attention must be given to metrics that will be used to measure the success of the campaign.

c. marketers can assume that younger consumers are better targets for a mobile campaign.

ANS: B REF: p. 449

1. An element **not** included in mobile marketing campaigns should be:

a. email lists purchased from third-party list brokers.

b. a call to action.

c. metrics specific to the campaign itself.

ANS: A REF: p. 451

1. Mobile apps are primarily of interest to:

a. young consumers with active lifestyles.

b. older, more affluent consumers.

c. it depends on the app and the target audience.

ANS: C REF: p. 452, 454

1. Location-based mobile marketing is:

a. banned in the United States.

b. accessible to small, local retailers.

c. available from any web hosting service.

ANS: B REF: p. 455, 456

1. Groupon represents the type of location-based marketing that:

a. takes advantage of consumers’ desire to get a special deal

b. makes offers to only a specialized groups of highly-targeted consumers

c. is popular with all marketers because it brings in so many customers

ANS: A REF: p. 456

1. The barcodes used in mobile marketing include:

a. only 2 dimensional bar codes.

b. both QR codes and NFC.

c. both of the above.

ANS: B REF: p. 457, 458

1. Shopping apps can be used to:

a. check prices at the point of purchase.

b. register complaints with retailers.

c. neither of the above.

ANS: A REF: p. 459

1. \_\_\_\_\_\_\_\_ technology is a way two devices located in close proximity can communicate with one another.

a. OR code

b. NFC

c. Apps

ANS: B REF: p. 459

1. One mobile marketing channel that has not experienced robust growth over the last few years is:

a. podcasting

b. search

c. email

ANS: A REF: p. 460

1. Digital convergence is explained by:

a. increasing ability of a single device to fulfill all user needs.

b. significant changes in the structure of the media industry.

c. technology that allows for centralized control of communications technologies.

ANS: B REF: p. 462

1. \_\_\_\_\_\_\_\_ is the acronym that describes the converged media environment

a. Pervasive computing

b. Microtargeting

c. SoLoMo

ANS: C REF: p. 462

**TRUE/FALSE**

1. The adoption chasm is a concept that suggests many high technology products do not make it past the Early Adopter stage of adoption.

ANS: T REF: p. 441

1. The pace of adoption of innovative products seems to have been decreasing in recent years.

ANS: F REF: p. 442

1. Data suggests that consumers in developing countries have been slow to adopt mobile devices including cell phones.

ANS: F REF: p. 444

1. Experts predict that mobile is expected to be the dominant way of accessing the Internet within the next few years.

ANS: T REF: p. 445

1. SIM cards are removable devices that identify the owner of a cell phone.

ANS: T REF: P. 447

1. Since mobile marketing campaigns are usually part of larger Internet marketing campaigns it is not necessary to develop specific plans for them.

ANS: F REF: pp. 449-451

1. Smartphones and tablets are the driving force behind the explosion of mobile apps.

ANS: T REF: p. 452

1. Mobile apps are primarily target to young adult males.

ANS: F REF: pp. 453, 454

1. Services like Google Places make location-based marketing accessible to even small businesses.

ANS: T REF: p. 455

1. Foursquare offers consumers the ability to check in on their phones and receive location-based promotions.

ANS: T REF: p. 455

1. Retailers are uniformly pleased with the cost-effective traffic delivered by Groupon.

ANS: F REF: p. 456

1. QR codes are limited to a small amount of data describing the product.

ANS: F REF: p. 457

1. QR codes are limited in the media channels on which they can appear.

ANS: F REF: p. 457

1. NFC stands for new format communications, an emerging competitor to QR codes.

ANS: F REF: p. 459

1. The criteria for self-regulation of mobile marketing are significantly different from those previously applied to the wired Internet.

ANS: F REF: p. 461

1. Digital convergence refers to a single large device that can satisfy all the requirements of a user.

ANS: F REF: p. 462

1. SoLoMo is an acronym that describes the converged media environment.

ANS: T REF: p. 462

1. Huffington Post has a business model that mirrors that of offline print newspapers.

ANS: F REF: p. 464

**ESSAY**

1. Construct a scenario about a day in the life of a consumer in an environment that is characterized by pervasive computing and media convergence.

ANS:

This is an update of an essay question designed to get students to think about the world in which we all are living. You could make it more specific—“a student,” for example but it tends to work well to let students choose their own context.

Do hold them to some discussion of pervasive computing and of media convergence (you might or might not want to make the question specific about that). It will be good if they use their creative imagination, but they should stick with the technology available or at least visible on the horizon at present. There is plenty of that to make life interesting without going into cartoon-type adventure fantasy.

1. Discuss in detail the nature of the strategic drivers of wireless adoption. Give a brief example of each.

ANS:

The drivers are:

* Context (both localization and personalization) (a coupon delivered as a shopper walks by a store in a shopping mall)
* Time sensitivity (the coupon is also a good example here)
* High value (seems obvious, but the coupon must be of sufficient value to warrant the intrusion)
* Availability of one-click payment mechanisms (entering a substantial amount of data on small keyboards is difficult and prone to error; that makes the coupon a good idea, since it is redeemed at the retail point of purchase)
* Security (how does the marketer convince the consumer that it is safe to accept and use the coupon)
* Respect for privacy (if mobile marketers spam the consumer, a way will be found to cut them off)
* Use of expanded permission marketing (ask the consumer when, where, how, and how often she is willing to be contacted; then develop systems that confirm to her wishes, which is harder). What if she has already received two wireless promotions this week, and that is the limit she has set?

1. Mobile apps have become a staple of contemporary life. Why are they so popular with consumers? Why have they become so important to marketers?

ANS:

From a consumer perspective it is probably summed up by, “There’s an app for that.” The range of app content seems infinite and therefore the segments to which they can appeal seem endless. Add to that the “anywhere, anytime” pervasiveness, and their appeal seems obvious.

From a marketer perspective the limitless options are also important. That allows marketers to develop apps for specific segments, individual promotions or events, particular types of content and probably a lot more. Add to that the fact that app development is cost effective and relatively quick as compared to say, developing a website, and the usefulness seems obvious.

You might want to ask students to give an example of an app that exemplifies the consumer appeal and one that demonstrates the marketing effectiveness.

4. Mobile marketing offers numerous opportunities to small businesses. Explain why that is true and give examples of specific technologies or tools that are within the reach of most small businesses.

ANS:

The text points out that many of the tools are self-service and many are relatively low in cost. In addition, small businesses are likely already using some of the channels like email, and it is relatively easy to add a mobile option. They offer possibilities for localization and consequently reaching a target market in a highly-cost effective manner.

Examples include:

* Mobilizing channels already in use like email and video
* Making sure that social media channels are mobilized (usually an option provided by the platform)
* Text messaging programs, often reminders or retention
* QR codes, which are easy to do one’s self. NFC tags can also be made on available platforms, although that seems less common at present.
* Delivering coupons via platforms like Groupon and LivingSocial
* Using location-based services like Foursquare to deliver promotions
* Encouraging sharing, including mobile promotions.
* Commissioning mobile apps. Mobile apps require skilled developers, not the forte of most small business people, and they can get a bit pricey, but it is a possibility.
* Commissioning a mobile website. That, too, is not free, but both Google and Yahoo! are encouraging small businesses that make use of directory services to go mobile, so you will probably see more of them doing it.
* and probably others I haven’t thought of. It is a substantial list, and to it needs to be added all the social media platforms, all of which can be mobilized rather easily.